GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1863
ANSWERED ON:09.03.2016
Mandatory Rolling out of Services in Rural Areas
Lokhande Shri Sadashiv Kisan

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has taken stringent view of private phone companies not fulfilling their contractual obligations regarding rolling out telecom services in rural areas/villages;

(b) if so, the details thereof;

(c) whether some operators failed to rollout their service despite extending the time;

(d) if so, the details of such operators;

(e) whether the Government proposes to cancel the licenses of these companies;

(f) if so, the details thereof; and

(g) if not, the action taken against such operators?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a) to (g) The Government regularly examines the compliance towards Roll out Obligations in accordance with the extant terms and conditions of the license as well as the terms and conditions, if any, applicable to the spectrum granted for the purpose of providing the service coverage. In specific reference to the rural areas/villages, the terms and conditions related to the spectrum allocated in the given Service Area state the following:

In case of 3G mobile services:

The licensee to whom the spectrum is assigned shall ensure that at least 50% of the District Headquarters in the service area will be covered using the 3G Spectrum, out of which at least 15% of the DHQs should be rural Short Distance Charging Areas (SDCA), within five years of the Effective Date. Rural SDCA is defined as an area where 50% of the population lives in the rural areas. The Effective Date shall be the later of the date when the right to use awarded spectrum commercially commences and the date when the UAS licence, if applicable, is granted to the operator.

In case of Broadband Wireless Access (BWA) services:

The licensee to whom the spectrum is assigned shall ensure that at least 50% of the rural SDCAs are covered within five years of the Effective Date using the BWA Spectrum. Coverage of a rural SDCA would mean that at least 90% of the area bounded by the municipal/ local body limits should get the required street level coverage.

In the event of non-compliance on part of any of the service provider in the licensed Service area, the Government initiates the action in accordance with the stated terms and conditions of the license and grant of spectrum resources. The non-compliance may result in financial penalties or the termination of license or the withdrawal of spectrum granted to the defaulter.

Since the Roll out Obligations specific to the rural areas have been introduced in conjunction with the grant of 3G and BWA spectrum in 2010, the assessment for the state of compliance is currently under progress to determine if some operators have indeed failed to fulfil the rollout obligations as specified. In specific reference to the spectrum granted for 3G services, one year additional time has been permitted subject to the imposition of liquidated damages as already specified at the time of grant of spectrum resources.

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